

Chapter highlights

- **Purpose:** The purpose of this chapter is to provide information technology (IT) purchasing professionals with descriptions of various IT procurement methods and when to use these methods.
- **Key points:**
 - Fair and open competition is the core concept behind the Virginia Public Procurement Act. The procurement methods available that utilize competition are quick quotes, competitive sealed bidding, competitive negotiation and auctions.
 - There are circumstances where competitive procurements are not practical. There are times when only one supplier is practicably available or when an emergency must be addressed immediately.

Table of contents

14.0	Introduction
14.1	Competitive procurement methods
14.2	Non-competitive procurement methods

14.0 Introduction

Virginia Information Technologies Agency (VITA) encourages the use of statewide contracts whenever available (see [VITA Statewide Contracts](#)). If an agency or institution determines after searching available statewide contracts that none exist to service its current need, a method must be determined as to how best to procure the desired information technology (IT) acquisition. It is in the best interest of the Commonwealth to maximize supplier competition to the greatest extent possible when making any IT acquisition; however, other methods are available and can be applied as circumstances dictate.

14.1 Competitive procurement methods

Fair and open competition is the core concept behind the Virginia Public Procurement Act, [§2.2-4300\(C\)](#). Choosing the correct procurement method enables the procuring agency to achieve maximum fair and open competition. The procurement methods available that utilize competition are quick quotes, competitive sealed bidding, competitive negotiation and auctions. The dollar amount, overall complexity and level of risk associated with the IT procurement are factors to consider in choosing the appropriate competitive procurement method. The procurement lead/sourcing specialist or procurement project team (see manual chapter 13, Procurement Project Team, for more information ([insert link](#))) should define the business need and select which procurement method would be most appropriate for the type of IT product, solution or service desired. An overview of when to use the respective competitive procurement methods is outlined in the following table.

Method	When to use	Where to learn more
Quick quotes	<ul style="list-style-type: none"> Total procurement value ranges from \$5,000-50,000 Contact VITA at scminfo@vita.virginia.gov for software licenses not available on a statewide contract 	eVA (eVA Home Page) Chapter 7 (link)
Competitive sealed bidding: Invitation For Bid (IFB)	<ul style="list-style-type: none"> Total value of the procurement is greater than \$50,000 Needs and requirements are clearly defined Price is the determining factor Terms and conditions are not complex and are not negotiable 	Chapter 22 (link)
Competitive sealed bidding: two-step IFBs	<ul style="list-style-type: none"> Must have clearly defined requirements with an established threshold for pass/fail Technical and pricing proposals are evaluated separately. Invite and evaluate technical offers to determine their acceptability to fulfill the requirements Allows for discussions to clarify the technical offer and requirements Negotiations are not allowed 	Chapter 23 (link)
Competitive negotiation: RFP	<ul style="list-style-type: none"> Total value of the procurement is greater than \$50,000 Needs and requirements are complex and/or are not clearly defined; seeking a solution Price is not the sole determining factor Terms and conditions are complex and will likely require negotiation 	Chapter 24 (link)
Public and online auctions	<ul style="list-style-type: none"> Does not apply to software. Contact VITA at scminfo@vita.virginia.gov if interested in procuring IT through an auction including on-line public auctions. 	Chapter 19 (link)
Reverse auctions	<ul style="list-style-type: none"> Commercial commodity buys with well-defined specifications and universally accepted standards Products with a well-qualified and established base of suppliers Aggregate small buys for multiple users 	Chapter 19 (link)

14.2 Non-competitive procurement methods

There are circumstances where competitive procurements are not practical, when only one supplier is available or when an emergency procurement exists. An overview of when to use non-competitive procurement methods is outlined below.

Method	When to use	Where to learn more
Sole source procurements	<ul style="list-style-type: none"> There is only one solution practicably available Product or service is only practicably available from a single supplier Total value of the procurement exceeds \$5,000 	Chapter 16 (link)

Emergency procurements	<ul style="list-style-type: none"> • There is a serious or urgent situation requiring immediate action to protect persons or property • Utilize competition to the extent practicable 	Chapter 17 (link)
Cooperative procurements (including GSA)	<ul style="list-style-type: none"> • Can provide expedited acquisition • Other public body's contract allows for cooperative procurement • Contract was solicited "on behalf of other public bodies." • Item is not available on an existing statewide contract or available through a DMBE-certified small business • Supplier must agree to all of VITA's standard terms and conditions 	Chapter 20 (link)